

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6542

BILL NUMBER: HB 1062

DATE PREPARED: Jan 29, 2002

BILL AMENDED: Jan 29, 2002

SUBJECT: Fire Prevention and Building Safety Fees.

FISCAL ANALYST: Karen Firestone

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) The bill adds a member to the Fire Prevention and Building Safety Commission from the masonry construction industry. It allows the Fire Prevention and Building Safety Commission to adopt rules to establish fees for the issuance of various permits and licenses relating to regulated lifting devices and regulated boiler and pressure vessels. The bill also repeals statutes that set the fees relating to: (1) permitting and inspection of regulated lifting devices; (2) permitting of an owner or user for inspections of regulated boilers and pressure vessels; (3) inspection of a regulated boiler or pressure vessel for the issuance of a permit; (4) manufacturers using the inspection services of the Office of the State Building Commissioner; (5) a regulated boiler and pressure vessel inspector license; and (6) an owner or user boiler and pressure vessel inspection agency license.

Effective Date: July 1, 2002; April 1, 2003.

Explanation of State Expenditures: (Revised) The bill would add a member representing the masonry construction industry to the Fire Prevention and Building Safety Commission. The Department estimates the cost of an additional Commission member to be \$22,000 annually, including salary per diem reimbursement, travel, and mailing costs. The Fire Prevention and Building Safety Fund funds the expenditures of the Fire Prevention and Building Safety Commission.

Explanation of State Revenues: (Revised) Under current law, the fees for regulation of lifting devices and boiler and pressure vessels are set in statute, and the license fee for regulated boiler and pressure vessel inspectors is set by the Boiler and Pressure Vessel Rules Board. Also currently in statute, if approved by the Fire Prevention and Building Safety Commission, local units of government are permitted to regulate lifting devices and charge a permitting fee less than that set in statute.

The bill would allow the Commission to establish fees for the regulation of lifting devices and regulated boiler and pressure vessels. The regulating function of local units of government would be unaffected, except

that the fee would have to be less than that set by the Commission.

The bill would have indeterminate fiscal impact on the Fire and Building Services Fund which receives revenues from the regulation of lifting devices and boiler and pressure vessels fees. The statute requires that the Commission set fees to pay all of the costs, direct and indirect, that are payable from the fund into which the fees must be deposited, and augmentation is allowed in the biennial appropriation. Assuming that the fees set in statute already cover all costs, then the fiscal impact would depend on the fees set by the Commission. The five-year revenue history for these fees are shown in the table below:

Table 1					
REVENUES					
Source	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
Boiler and Pressure Vessel Board	\$423,886	420,638	419,188	357,498	372,292
Regulated Lifting Devices and Regulated Amusement Device Permits	\$1,109,884	737,590	713,519	723,314	785,962

Explanation of Local Expenditures:

Explanation of Local Revenues: Since the fees charged by local governments would be capped by the fees set by the Commission, the fiscal impact is indeterminate.

State Agencies Affected: Fire Prevention and Building Safety Commission.

Local Agencies Affected: Local units regulating lifting devices.

Information Sources: Brad Gavin, Agency Council, Fire and Building Services.